

Water and Wastewater Utilities Workshop



D H E C



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South Carolina Department of Health
and Environmental Control



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South Carolina Department of Health
and Environmental Control

Office of Regulatory Staff and DHEC

Water and Wastewater Workshop

Willie J. Morgan, P.E.

November 29, 2006

2006 Rate Proceedings

Company Name	Service Type	# of Customers
Tega Cay Water Service, Inc.	Water/Sewer	1,828 water / 1,714 sewer
Carolina Water Service, Inc.	Water/Sewer	16,514
United Utility Companies, Inc.	Water/Sewer	1,967
Wyboo Plantation Utilities, Inc.	Water/Sewer	472 water/245 sewer

March 15, 2006

VIA HAND-DELIVERY

The Honorable Charles L.A. Terreni
Chief Clerk & Administrator
Public Service Commission of South Carolina
101 Executive Center Drive
Columbia, South Carolina 29210

Re: Notice of Intent

Dear Mr. Terreni:

Please be advised that ABC, Inc. intends to file, not earlier than thirty (30) days from the date of this notice, an application seeking approval of water and sewer rates, terms and conditions. I would appreciate your accepting the original of this letter for filing and returning the enclosed copy to me, bearing your file stamp, via the courier.

This notice is intended to fully comply with the requirements of notice set forth in Section 58-5-240 of the South Carolina Code of Laws, as amended. If anything further is required of us to comply with the Commission's rules or statutory requirements for giving notice of intent, please advise.

Sincerely,

George W. Bush

Cc: Dukes Scott, Executive Director, ORS



Charles L.A. Terreni
Chief Clerk/Administrator
Phone: (803) 896-5133
Fax: (803) 896-5246

The Public Service Commission State of South Carolina

COMMISSIONERS
Randy Mitchell, Third District
Chairman
G. O'Neal Hamilton, Fifth District
Vice Chairman
John E. "Butch" Howard, First District
David A. Wright, Second District
Elizabeth B. "Lib" Fleming, Fourth District
Mignon L. Clyburn, Sixth District
C. Robert Moseley, At-Large

Utilities Department
D. Wayne Burdett, Manager
Phone: (803) 896-5125
Fax: (803) 896-5199

INFORMATION TO BE FILED WITH THE COMMISSION FOR AN INCREASE IN WATER AND OR SEWER RATES AND CHARGES (Revised 12-09-03 to add annual report requirements)

Date/Init.

- | | |
|-------|--|
| _ / _ | 1. A statement of reason justifying the need for proposed rate adjustment. |
| _ / _ | 2. Most current available income and expense statement for the preceding twelve months. |
| _ / _ | 3. Proposed rate schedule. |
| _ / _ | 4. Test year proposed to be used. |
| _ / _ | 5. Pro Forma income and expense statement using proposed rates applied to proposed test year. |
| _ / _ | 6. Balance sheet. |
| _ / _ | 7. Depreciation schedule by categories of plant or average service lives. |
| _ / _ | 8. Number of present and expected customers in the following twelve months. |
| _ / _ | 9. Cost justification for proposed rates and charges, including tap fees; with attached schedules depicting labor costs, materials costs, and miscellaneous costs. |
| _ / _ | 10. Filing or updating performance bond in accordance with R.103-512.3 and or R.103-712-3. |
| _ / _ | 11. Current or updated service area map. |
| _ / _ | 12. Statement of total plant investment by categories. |
| _ / _ | 13. Most recent letter of approval for the Department of Health and Environmental Control, dated not more than six (6) months prior to date of application. |
| _ / _ | 14. Customer bill form. |
| _ / _ | 15. All past due and current PSC annual reports must be on file with the Commission in accordance with R.103-512.1 and R.103-712.1. If not on file with the Commission, the annual reports must be filed with the application. |
| _ / _ | 16. Any other pertinent or relevant information determined necessary by the Commission. |

.....
ABC, Inc.

November 28, 2006

VIA FEDERAL EXPRESS DELIVERY ABC, Inc.

The Honorable Charles Terreni
Public Service Commission of South Carolina
Docketing Department
101 Executive Center Drive, Suite 100
Columbia, SC 29201

RE: Application of ABC, Inc. for Rate Increase

Dear Sir or Madam:

Enclosed for filing please find an original and 16 copies of the Application of ABC, Inc. for Approval of a New Schedule of Rates and Charges for Water and Sewerage Service Provided to Customers in all areas served. I have enclosed one extra copy of this application, which I would ask you to date stamp and return to me in the enclosed postage paid envelope.

Please contact me if you have any questions or if I may provide you with any additional information. Thank you for your assistance

Sincerely yours

ABC, Inc.

Tommy Bowden
President

Cc: Mr. Dukes Scott with copy of Application

Enclosures

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BEFORE
THE PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA

DOCKET NO. _____

IN RE:

Application of ABC, Inc. for Approval
of New Schedule of Rates and Charges for
Water and Sewerage Service Provided to its
Customers at Bull Street Court
in Beaufort County, South Carolina

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**APPLICATION FOR
RATE INCREASE AND
CHANGES IN TERMS
AND CONDITIONS**

ABC, Inc. ("ABC") hereby applies to the South Carolina Public Service Commission for approval of an increase in its existing rates and charges pursuant to South Carolina Public Service Commission's rules and regulations and S.C. Code Ann. §58-5-240 (Law. Co-op. Supp. 1995). In support of its application, ABC provides the following information:

1. ABC is a closely held corporation organized and existing under the laws of the State of South Carolina and is a public utility within the meaning of S.C. Ann. 58-5-10(3) (Law. Co-op. 1976). ABC furnishes sewer collection and sewer treatment service and water distribution service to 989 water customers and 602 sewer customers on Bull Street Court in Beaufort County under the schedule of rates approved by the Commission in Order Number 93-312, Docket Number 93-101-WS, dated July 4, 1993.
2. Because ABC has experienced increased operating expenses, an increase in rates is a necessity. And therefore, pursuant to S.C. Code Ann. §58-5-240, ABC respectfully applies for the approval of a new schedule of rates

and charges for water and sewerage service provided to its residential and commercial customers in all areas served. Notice of its intention to file the new schedules was given more than the required thirty days prior to this application.

3. ABC's last rate increase was approved on December 25, 1993, and was based on the level of operating expenses experienced in 1992.
4. Applicant proposes a test year of January 1, 2005 to December 31, 2005 and has prepared certain financial documents relating to that time period in support of the application, which documents are attached hereto and incorporated herein by this reference as Exhibits A through H. These financial statements include the following:
 - a. **EXHIBIT A**
PROPOSED SCHEDULE OF RATES AND CHARGES.
 - b. **EXHIBIT B**
BALANCE SHEET DECEMBER 31, 2005.
 - c. **EXHIBIT C**
PROFORMA INCOME & EXPENSE STATEMENTS OPERATING MARGINS FOR THE TEST YEAR 2005 ADJUSTMENTS FOR THE TEST YEAR 2005.
 - d. **EXHIBIT D**
COMPARATIVE INCOME & EXPENSE STATEMENTS FOR 2004 AND THE TEST YEAR 2005.
 - e. **EXHIBIT E**
PROPOSED REVENUES
 - f. **EXHIBIT F**
CURRENT CUSTOMER BILL FORM.
 - g. **EXHIBIT G**
MOST RECENT APPROVAL LETTERS FROM THE SOUTH CAROLINA DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL.

5. There is on file with this Commission a performance bond given to satisfy the requirements of S.C. Code Ann. §58-5-720 (Supp. 2000)
6. A map depicting Applicants current service area is on file with the Commission.

NEED AND JUSTIFICATION FOR RATE RELIEF AND RATE SCHEDULE MIDIFICATION

The purpose of the proposed increase in rates and charges are five-fold:

- A. During the twelve months test year ending December 31, 2005, the Company lost \$37,641. The Operating Margin is negative (6.10%). After adjustment for known and measurable changes, the loss is \$147,865 and Operating Margin is negative (28.43%).
- B. Since the last Commission-approved rate adjustments, the Company instituted a 401K plan for all employees. This was necessary in order to keep the trained and qualified employees that we have.
- C. ABC buys its water from Beaufort-Jasper Water and Sewer Authority ("BJWSA"). During the test year of 2005, one portion of the BJWSA meter was not accurately registering the water quantity. It is estimated the water will cost us an additional \$32,007 for the same amount of water.

D. The current rates, under which the Company is now operating, were approved on December 25, 1993, a difference of thirteen (12) years. The Commission granted a negative operating margin of negative (55%) in that decision.

E. It is the responsibility of the stockholders/management to maintain the financial integrity of the utility. There currently are no funds to provide for proper maintenance, upgrades, and additions on a system that is twenty-five years old; or, to meet requirements by the Department of Health and Environmental Control, (DHEC) or natural hazards which may occur on coastal properties. We contend that these funds are direly needed to properly maintain the quality of service to which our customers are entitled.

7. All communication or inquiries regarding this application should be directed as set forth below:

a. **Applicant's Representative:**

Mr. George W. Bush
123 Anywhere Street
Columbia, SC 29201
(803) 123-4567
(803) 123-4568 FAX

b. **Legal Counsel**

Mr. Bob Coble
123 Main Street
Columbia, SC 29201
(803) 123-4579
(803) 123-4580 FAX

c. **Accountant**

Mark Sanford
161 Main Street
Columbia, SC 29201
(803) 123-5555
(803) 123-5556 FAX

Therefore, having fully set forth its application, ABC prays that the Commission approve the rates proposed and grant to applicant such other further relief as the Commission may deem just and proper.

Respectfully submitted,

Smith Law Firm

By: _____

Mr. Bob Coble
123 Main Street
Columbia, SC 29201
(803) 123-4579

Attorney for ABC, Inc.

Columbia, South Carolina
This 29th day of November, 2006

EXHIBIT A

Proposed Schedule of Rates and Charges

EXHIBIT A

ABC, INC.

PROPOSED SCHEDULE OF RATES AND CHARGES

WATER

1. Monthly Charges

Residential, Commercial, and Irrigation

Base Facilities Charge

by Meter Size	5/8"x 3/4" Meter	\$20.00
	1" Meter	\$25.00
	1.5" Meter	\$30.00
	2" Meter	\$35.00

Commodity Charge: \$3.70 per 1000 gallons

2. Nonrecurring Charges

Existing Water Tap-In Fee (New Connections Only)

A. 5/8"x 3/4" Meter	\$525.00
B. 1" Meter	\$700.00

C. Meter tap fees for meters larger than 1" will be negotiated on a cost plus service basis.

3. Notification, Account Set-Up, and Reconnection Charges

A. Notification Fee:

A fee of five dollars (\$5.00) shall be charged each customer to whom the utility mails the notice as required by Commission Rule R. 103-535.1 prior to service being discontinued. This fee assesses a portion of the clerical and mailing costs of such notices to the customers creating the cost.

B. Customer Account Charge -

New Customers Only \$13.50

A one-time fee to defray the cost of initiating service.

C. Reconnection Charges: In addition to any other charges that may be due, a reconnection fee of thirty-five dollars (\$35.00) shall be due prior to the utility reconnecting service which has been disconnected for any reason set forth in Commission Rule R.103-732.5. Customers who ask to be reconnected within nine months of disconnection will be charged the monthly base facility charge for the

EXHIBIT A

service period they were disconnected. The reconnection fee shall also be due prior to reconnection if water service has been disconnected at the request of the customer.

4. Late Penalty Charge

Company may charge a late-payment penalty up to the maximum amount allowed by applicable South Carolina Statute and/or South Carolina Public Service Commission rule.

5. NSF Check Charge

Company may charge a NSF check charge up to the maximum amount allowed by applicable South Carolina Statute and/or South Carolina Public Service Commission rule.

6. Billing Cycle

Recurring charges will be billed monthly in arrears. Nonrecurring charges will be billed and collected in advance of service being provided.

SEWER

1. Monthly Charges

Residential and Commercial

Base Facilities Charge

by Meter Size	5/8"x 3/4" Meter	\$20.00
	1" Meter	\$25.00
	1.5" Meter	\$30.00
	2" Meter	\$35.00

Commodity Charge: \$ 3.70 per 1,000 gallons

All customers will be billed for sewer service at the base facilities charge or 100% of the water bill, whichever is greater.

Customers that receive water service from BJWSA will be charged based on their consumption as determined by BJWSA meter readings.

2. Nonrecurring Charges

EXHIBIT A

Existing Sewer Tap-In Fee (New Connections Only)

A.	5/8"x 3/4" Meter	\$625.00
B.	1" Meter	\$700.00
C.	1-1/2" Meter	\$900.00
D.	2" Meter	\$1,000.00

3. Notification, Account Set-Up, and Reconnection Charges

A. Notification Fee:

A fee of five dollars (\$5.00) shall be charged each customer to whom the utility mails the notice as required by Commission Rule R. 103-535.1 prior to service being discontinued. This fee assesses a portion of the clerical and mailing costs of such notices to the customers creating the cost.

B. Customer Account Charge -

New Customers Only \$13.50

A one-time fee to defray the cost of initiating service.

C. Reconnection Charges: In addition to any other charges that may be due, a reconnection fee of two hundred and fifty dollars (\$250.00) shall be due prior to the utility reconnecting service which has been disconnected for any reason set forth in Commission Rule R.103-532.4 unless an elder valve is present. Thus, the reconnection fee is \$35 as allowed pursuant to Commission Order No. 94-367. Customers who ask to be reconnected within nine months of disconnection will be charged the monthly base facility charge for the service period they were disconnected. The reconnection fee shall also be due prior to reconnection if sewer service has been disconnected at the request of the customer.

4. Late Penalty Charge

Company may charge a late-payment penalty up to the maximum amount allowed by applicable South Carolina Statue and/or South Carolina Public Service Commission rule.

5. NSF Check Charge

Company may charge a NSF check charge up to the maximum amount allowed by applicable South Carolina Statue and/or South Carolina Public Service Commission rule.

6. Billing Cycle

Recurring charges will be billed monthly in arrears. Nonrecurring charges will be billed and collected in advance of service being provided.

EXHIBIT B

Balance Sheet December 31, 2005

EXHIBIT B

ABC, INC.

BALANCE SHEET DECEMBER 31, 2005

CURRENT ASSETS

Cash in Bank	\$ 26,313	
Customer Accounts Receivable	\$ 32,948	
Grinder Stations on Hand	\$ 4,058	
Total Current Assets:		\$ 63,319

FIXED ASSETS

Sewer Plant	\$ 111,000	
Sewer Pump Stations	\$ 38,346	
Sewer Mains	\$ 82,209	
Water Mains	\$ 49,043	
Total Fixed Assets	\$ 280,598	
Less: Depreciation Reserve	\$(276,376)	
Total Net Plant		\$ 4,222

OTHER ASSETS

Vehicles	\$ 88,060	
Equipment	\$ 60,062	
Total Other Assets:	\$ 148,122	
Less: Depreciation Reserve	\$ 108,625	
Total Other Assets - Net:		\$ 39,497

TOTALASSETS \$107,038

CURRENT LIABILITIES

Accounts Payable	\$ 21,845	
Accrued Wages & Withholdings	\$ 2,747	
Current Portion Long Term Debt	\$ 9,167	
Total Current Liabilities:		\$ 33,759

Notes Payable -Vehicles - Net \$ 18,333

SHAREHOLDERS EQUITY

Capital Stock	\$ 25,500	
Contributed Capital - Water Taps	\$ 326,450	
Contributed Capital- Sewer Taps	\$ 196,200	
Retained Earnings	\$(493,204)	
Total Shareholders Equity		\$ 54,946

TOTAL LIABILITIES AND EQUITY \$107,038

EXHIBIT C

Proforma Income & Expense Statements

Operating Margins for the Test Year 2005

Adjustments for the Test Year 2005

EXHIBIT C

ABC, INC.

PROFORMA INCOME & EXPENSE STATEMENTS OPERATING MARGINS FOR THE TEST YEAR 2005

Column Number =====>

	(1)	(2)	(3)	(4)	(5)
	PRO FORMA				
	PER BOOKS	AND	AFTER	EFFECT OF	AFTER
	TOTAL	ACCOUNTING	ADJUST-	PROPOSED	Adj.
	OPERATIONS	ADJUSTMENTS	MENTS	INCREASE	No.
					INCREASE
REVENUES					
Water	\$ 180,048	0	\$ 180,048	\$ 122,421 (21)	\$ 302,469
Sewer	\$ 147,565	0	\$ 147,565	\$ 129,924 (22)	\$ 277,489
Irrigation	\$ 191,762	0	\$ 191,762	\$ 103,813 (23)	\$ 295,575
Water Tap Fees	\$ 23,450	\$ (23,450) (1)	0		0
Sewer Tap Fees	\$ 15,925	\$ (15,925) (2)	0		0
Availability Fees - Water	\$ 23,484	\$ (23,484) (3)	0		0
Availability Fees - Sewer	\$ 20,784	\$ (20,784) (4)	0		0
SDWF Charges	\$ 3,760	\$ (3,760) (5)	0		0
Late Charges	\$ 2,558	\$ (2,144) (6)	\$ 414		\$ 414
Billing Adjustments	\$ (2,357)	2,357 (7)	0		0
Grinder Stations - Net	\$ 10,210	\$ (10,210) (8)	0		0
Miscellaneous	\$ 251	0	\$ 251		\$ 251
Interest Income	\$ 70	\$ (70) (9)	0		0
TOTAL REVENUES	\$ 617,510	\$ (97,470)	\$ 520,040	\$ 356,158	\$ 876,199
EXPENSES					
Salaries, Wages, Benefits	\$ 263,502	\$ 1,781 (10)	\$ 265,283	0	\$ 265,283
Purchased Water	\$ 114,435	\$ 32,007 (11)	\$ 146,442	0	\$ 146,442
Electric Power for Sewer	\$ 40,874	0	\$ 40,874	0	\$ 40,874
Tap-on Expenses - Water	\$ 4,790	\$ (4,790) (12)	0	0	0
Tap-on Expenses - Sewer	\$ 1,000	\$ (1,000) (13)	0	0	0
Repairs & Maintenance	\$ 104,142	\$ (50,854) (14)	\$ 53,288	0	\$ 53,288
Insurance	\$ 74,221	\$ 22,661 (15)	\$ 96,882	0	\$ 96,882
Taxes - other than Income	\$ 8,412	\$ (338) (16)	\$ 8,074	\$ 2,532 (24)	\$ 10,606
Office & Related Expenses	\$ 29,514	\$ 1,209 (17)	\$ 30,723	0	\$ 30,723
Depreciation	\$ 13,505	\$ 7,771 (18)	\$ 21,276	0	\$ 21,276
Interest	0	\$ 1,407 (19)	\$ 1,407	0	\$ 1,407
Miscellaneous	\$ 756	0	\$ 756	0	\$ 756
Rate Case	0	\$ 2,900 (20)	\$ 2,900	0	\$ 2,900
Income Taxes	0	0	0	\$ 69,773 (25)	\$ 69,773
TOTAL EXPENSES	\$ 655,151	\$ 12,754	\$ 667,905	\$ 72,305	\$ 740,210
OPERATING INCOME (LOSSES)	\$ (37,641)	\$ (110,224)	\$ (147,865)	\$ 283,854	\$ 135,989
OPERATING MARGINS (LOSSES)	-6.10%		-28.43%		15.52%

EXHIBIT C
ABC, INC.
ACCOUNTING AND PROFORMA ADJUSTMENTS
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2005

Column Number ----->	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Water Tap Fees	Sewer Tap Fees	Availa- bility Fees Water	Avalla- bility Fees Sewer	EPA Charges	Late Charges	Billing Adjust- ments	Grinder Station Losses
<u>DESCRIPTION OF ADJUSTMENTS</u>								
Company proposes to eliminate water and sewer tap fee revenues from total revenues for rate making purposes. Note that an equal amount of expenses are deducted below so that the revenues for tap fees collected and the related tap cost equal zero.	(23,450)	(15,925)						
When a lot is sold to a buyer, a contract is agreed that the buyer will pay availability fees until a house is built and the owner begins paying monthly rates approved by the Commission. These availability fees are not regulated by the PSC of South Carolina and are, therefore, deleted from revenues.			(23,484)	(20,784)				
The Company proposes to remove DHEC recoupment fees from this case. These fees were required to be passed on to customers as a separate line item on the utility bill.					(3,760)			
To delete Late Charges that apply to Availability Fees.						(2,144)		
Add adjustments to Availability accounts back to revenues							2,357	
During the year, the Company had a gain from the sale of grinder stations. These contracts are not approved by this Commission and are deleted.								(10,210)
TOTAL ADJUSTMENTS	(23,450)	(15,925)	(23,484)	(20,784)	(3,760)	(2,144)	2,357	(10,210)
ADJUSTMENT NUMBERS ON PAGE 1:	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)

EXHIBIT C
ABC, INC.
ACCOUNTING AND PROFORMA ADJUSTMENTS
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2005

Column Number ----->	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Interest	Salaries	Water	Tap-on	Tap-on	Repairs &	Insur-	Taxes
<u>DESCRIPTION OF ADJUSTMENTS</u>	<u>Income</u>	<u>and</u>	<u>Purchased</u>	<u>Expense</u>	<u>Expense</u>	<u>Mainte-</u>	<u>ance</u>	<u>Other Than</u>
		Benefits		Water	Sewer	nance	Expense	Income
The Company received interest income from cash in the bank. This income is deleted as non-regulated income.	(70)							
Four field employees were given a 3% raise effective July 2005. The total includes the wage increase and related FICA and 401K.		1,781						
To adjust for water cost due to under-billing by the wholesale supplier.			32,007					
In adjustments (1) and (2) above, tap-on revenues were deleted from total revenues per Commission practice. Company proposes to delete test year costs associated with the tap installations (Total equals \$39,375).				(4,790)	(1,000)	(33,585)		
In adjustment Number (5) above, the Company proposes to remove revenues associated with DHEC required recoupment fees. Company proposes to delete DHEC related cost from expenses.						(3,760)		
During the test year, the Company leased its three service trucks and monthly lease payments were deducted as expenses. At the end of the lease, in December 2005, the Company purchased the trucks. The amounts for the lease payments are deducted from expenses.						(13,509)		
To annualize Insurance cost for the test year. This includes primarily family coverage on all employees.							22,661	
To true-up gross receipts tax to include regulated revenues only.								(338)
TOTAL ADJUSTMENTS	(70)	1,781	32,007	(4,790)	(1,000)	(50,854)	22,661	(338)
ADJUSTMENT NUMBERS ON PAGE 1:	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)

EXHIBIT C
ABC, INC.,
ACCOUNTING AND PROFORMA ADJUSTMENTS
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2005

Column Number ----->	(1)	(2)	(3)	(4)
	Office & Related Expense	Depre- ciation Expense	Interest Expense	Rate Case Expense

DESCRIPTION OF ADJUSTMENTS

To annualize postage expense for the year based on regulated customer mailings throughout the year. This adjustment also eliminates any cost of mailing bills to non-regulated customers.

1,209

To annualize depreciation on all plant in service as of December 31, 2005. This includes depreciation on the service trucks acquired in December 2005.

7,771

To annualize interest expense on three trucks purchased in December 2005 of the test period.

1,407

To allocate Rate Case Expenses of \$14,500 over a five-year period.

2,900

TOTAL ADJUSTMENTS

1,209

7,771

1,407

2,900

ADJUSTMENT NUMBERS ON PAGE 1:

(17)

(18)

(19)

(20)

EXHIBIT C
ABC, INC.
ACCOUNTING AND PROFORMA ADJUSTMENTS
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2005

Column Number ----->

(1)	(2)	(3)	(4)	(5)
Proposed Water Revenues	Proposed Sewer Revenues	Proposed Irrigation Revenues	Gross Receipts Taxes	Income Taxes

DESCRIPTION OF ADJUSTMENTS

To adjust Water Revenues
based on Company's proposed
Water Rates. 122,421

To adjust Sewer Revenues
based on Company's proposed
Sewer Rates. 129,924

To adjust Irrigation Service Revenue
based on the Company's proposed
Irrigation Rates. 103,813

To increase Gross Receipts Taxes
based on the above proposed increases. 2,532
The rate used is the Commission rate
used for assessments in 2005.

To show the Income Tax effect based on
taxable income on the proposed
revenues and expenses after the
proposed increase above. 69,773

TOTAL ADJUSTMENTS	122,421	129,924	103,813	2,532	69,773
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ADJUSTMENT NUMBERS ON PAGE 1: (21) (22) (23) (24) (25)

EXHIBIT D

Comparative Income & Expense Statements

For 2004 and the Test Year 2005

EXHIBIT D

**ABC, INC.
COMPARATIVE INCOME & EXPENSE STATEMENTS
FOR 2004 AND THE TEST YEAR 2005**

	<u>December 31, 2005</u>	<u>December 31, 2004</u>
SERVICE REVENUES:		
Water Revenues	\$395,293	\$346,364
Sewer Revenues	\$165,992	\$154,173
Water Tap Fees	\$ 23,450	\$ 22,800
Sewer Tap Fees	\$ 15,925	\$ 10,000
SDWF Charge Revenues	\$ 3,759	\$ 3,619
Service Charge Past Due Accounts	\$ 2,558	\$ 2,287
Total Service Revenues	\$606,977	\$539,243
OTHER REVENUES - NET		
Grinder Stations Revenues	\$ 19,250	\$ 39,500
Grinder Stations Purchased	\$ (9,040)	\$ (41,208)
Net Other Revenues (losses)	\$ 10,210	\$ (2,708)
OTHER MISCELLANEOUS INCOME:		
Discounts Taken	\$ 27	\$ 4
Miscellaneous Income	\$ 224	\$ 1,035
Interest Income	\$ 70	\$ 387
Total Other Miscellaneous Income	\$ 321	\$ 1,426
TOTAL REVENUES:	\$617,508	\$537,961
LESS: OPERATING EXPENSES		
Operating & Administrative Expenses	\$641,647	\$584,797
Interest Expense	\$ 0	\$ 685
Depreciation Expense	\$ 13,506	\$ 8,626
Total Operating Expenses	\$655,153	\$594,108
OPERATING PROFITS (LOSSES):	\$ (37,645)	\$ (56,147)

EXHIBIT E

Proposed Revenues

EXHIBIT E

ABC, INC.

PROPOSED REVENUES

WATER SERVICE

	PROPOSED		REVENUES		INCREASE	
	BASE CHARGE	COMMODITY CHARGE	PRESENT	PROPOSED	AMOUNT	PERCENT

Domestic/Commercial Water (page 3)

3/4 Inch \$ 20.00 \$ 3.70 \$180,046.59 \$302,468.89 \$122,422.30 67.99%

Irrigation (Separately Metered) (Pages 3 thru 5)

3/4Inch \$ 20.00 \$ 3.70 \$161,742.24 \$253,271.63 \$ 91,529.39 56.59%

1 Inch \$ 25.00 \$ 3.70 \$ 21,368.73 \$ 30,788.91 \$ 9,420.18 44.08%

1 1/2Inch \$ 30.00 \$ 3.70 \$ 2,824.69 \$ 3,826.53 \$ 1,001.84 35.47%

2 Inch \$ 35.00 \$ 3.70 \$ 5,826.39 \$ 7,688.34 \$ 1,861.95 31.96%

SUBTOTALS \$191,762.05 \$295,575.42 \$103,813.37 54.14%

TOTALS **\$371,808.64 \$598,044.31 \$ 226,235.67 60.85%**

Water Tap-In Fees

3/4 Inch \$ 525.00

1 Inch \$ 800.00

Meter tap fees for meters larger than

1" will be negotiated on a

cost plus service basis.

SEWER SERVICE

	PROPOSED		REVENUES		INCREASE	
	BASE CHARGE	COMMODITY CHARGE	PRESENT	PROPOSED	AMOUNT	PERCENT

Domestic / Commercial Sewer (Page 6)

Base charge of \$20.00 per month
or 100% of the water bill,
whichever is greater

\$147,565.00 \$277,489.20 \$129,924.20 88.05%

Sewer Tap-In Fees

3/4 Inch Water Meter	\$ 625.00
1 Inch Water Meter	\$ 700.00
1 1/4 Inch Water Meter	\$ 800.00
1 1/2 Inch Water Meter	\$ 900.00
2 Inch Water Meter	\$1,000.00

**PROPOSED
DOMESTIC and COMMERCIAL WATER**

	Present	Proposed
Average Usage (Gallons in Thousands)		5,289
Less Minimum Usage (Gallons in Thousands)		0
Balance, Subject to Commodity Charge		5,289
Multiply by Commodity Rate		\$ 3.70
Commodity Charge		\$ 19.57
Basic Facility Charge		\$ 20.00
Add: Commodity Charge		\$ 19.57
Total Projected Monthly Charges per Customer		\$ 39.57
Multiply by EOY Customers		637
Monthly Revenue		\$ 25,205.74
Multiply by 12 Months		12
Annualized Domestic & Commercial Water Service Revenue	\$180,046.59	\$ 302,468.89

**PROPOSED
IRRIGATION WATER
3/4" METER**

	Present	Proposed
Average Usage (Gallons in Thousands)		9,411
Less Minimum Usage (Gallons in Thousands)		0
Balance, Subject to Commodity Charge		9,411
Multiply by Commodity Rate		\$ 3.70
Commodity Charge		\$ 34.82
Basic Facility Charge		\$ 20.00
Add: Commodity Charge		\$ 34.82
Total Projected Monthly Charges per Customer		\$ 54.82
Multiply by EOY Customers		385
Monthly Revenue		\$ 21,105.97
Multiply by 12 Months		12
Annualized Irrigation Water Service Revenue - 3/4" Meter		\$ 253,271.63

**PROPOSED
IRRIGATION WATER
1" METER**

	Present	Proposed
Average Usage (Gallons in Thousands)		20,981
Less Minimum Usage (Gallons in Thousands)		0
Balance, Subject to Commodity Charge		<u>20,981</u>
Multiply by Commodity Rate		
Commodity Charge		<u>\$ 3.70</u>
		<u>\$ 77.63</u>
Basic Facility Charge		\$ 25.00
Add: Commodity Charge		<u>\$ 77.63</u>
Total Projected Monthly Charges per Customer		<u>\$ 102.63</u>
Multiply by EOY Customers		25
Monthly Revenue		<u>\$ 2,565.74</u>
Multiply by 12 Months		12
Annualized Irrigation Water Service Revenue - 1" Meter		<u>\$ 30,788.91</u>

**PROPOSED
IRRIGATION WATER
1-1/2" METER**

	Present	Proposed
Average Usage (Gallons in Thousands)		78,075
Less Minimum Usage (Gallons in Thousands)		0
Balance, Subject to Commodity Charge		<u>78,075</u>
Multiply by Commodity Rate		
Commodity Charge		<u>\$ 3.70</u>
		<u>\$ 288.88</u>
Basic Facility Charge		\$ 30.00
Add: Commodity Charge		<u>\$ 288.88</u>
Total Projected Monthly Charges per Customer		<u>\$ 318.88</u>
Multiply by EOY Customers		1
Monthly Revenue		<u>\$ 318.88</u>
Multiply by 12 Months		12
Annualized Irrigation Water Service Revenue - 1-1/2" Meter		<u>\$ 3,826.53</u>

1
2
3 **PROPOSED**
4 **IRRIGATION WATER**
5 **2" METER**

	Present	Proposed
6 Average Usage (Gallons in Thousands)		77,121
7 Less Minimum Usage (Gallons in Thousands)		0
8 Balance, Subject to Commodity Charge		77,121
9		
10 Multiply by Commodity Rate		\$ 3.70
11 Commodity Charge		\$ 285.35
12		
13 Basic Facility Charge		\$ 35.00
14 Add: Commodity Charge		\$ 285.35
15 Total Projected Monthly Charges per Customer		\$ 320.35
16		
17 Multiply by EOY Customers		2
18 Monthly Revenue		\$ 640.70
19		
20 Multiply by 12 Months		12
21 Annualized Irrigation Water Service Revenue - 2" Meter		\$ 7,688.34
22		
23		
24 TOTAL PROJECTED WATER REVENUE		\$ 598,044.31

**PROPOSED
DOMESTIC / COMMERCIAL SEWER**

	Present	Proposed
<u>Domestic / Commercial Sewer Customers</u>		
Base charge of \$20.00 per month or 100% of the water bill, whichever is greater		
EOY Customers	584	
Average Usage (Gallons in Thousands)		5,289
Less Minimum Usage (Gallons in Thousands)		0
Balance, Subject to Commodity Charge		5,289
Multiply by Commodity Rate	\$	3.70
Commodity Charge	\$	19.57
Basic Facility Charge	\$	20.00
Add: Commodity Charge	\$	19.57
Total Projected Monthly Charges per Customer	\$	39.57
Multiply by EOY Customers		560
Monthly Revenue	\$	22,158.81
Multiply by 12 Months		12
Annualized Sewer Service Revenue - 560 Customers	\$141,276.29	\$ 265,905.70
NOTE: ABC presently has 24 domestic sewer customers that their domestic water service is provided by BJWSA and domestic sewer service is provided by ABC. These 24 customers are included in the 584 EOY total above. Proposed Revenue for these 24 customers is calculated as follows: Their bills will be calculated using BJWSA meter readings.		
Average Usage (Gallons in Thousands)		5,465
Less Minimum Usage (Gallons in Thousands)		0
Balance, Subject to Commodity Charge		5,465

26			
27	Multiply by Commodity Rate	\$	3.70
28	Commodity Charge	\$	20.22
29			
30	Basic Facility Charge	\$	20.00
31	Add: Commodity Charge	\$	20.22
32	Total Projected Monthly Charges per Customer	\$	40.22
33			
34	Multiply by EOY Customers		24
35	Monthly Revenue	\$	965.29
36			
37	Multiply by 12 Months		12
38	Annualized Sewer Service Revenue - 24 Customers	\$ 6,288.71	\$ 11,583.50
39			
40	TOTAL SEWER REVENUE	\$147,565.00	\$ 277,489.20
41			
42	TOTAL PROJECTED REVENUES		\$ 875,533.51

EXHIBIT F

Current Customer Bill Form

ABC, INC.

123 Anywhere Street
Bull Street Court
Columbia, SC 29201

ADDRESS CORRECTION REQUESTED

[REDACTED]
[REDACTED]
Bull Street Court
Columbia, SC 29201

DUE DATE	ACCOUNT NUMBER
01/15/2006	[REDACTED]
AMOUNT DUE	PAYMENT ENCLOSED
\$ 29.94	

Please indicate amount enclosed
Please DO NOT Send Cash

Make check or money order payable to:

ABC. INC.
123 Anywhere Street
Bull Street Court
Columbia, SC 29201

PEASE DETACH AND RETURN TOP PORTION WITH YOUR PAYMENT

**ABC INVOICE**

PHONE (843) 234-5678

ABC. INC.

123 Anywhere Street
Bull Street Court
Columbia, SC 29201

BILLING FOR: **[REDACTED]**
LOT NO. 17HP

ACCOUNT NUMBER	[REDACTED]
BILL ISSUE DATE	01/01/2005
DATE DUE	01/15/2006

TYPE CUSTOMER: Water

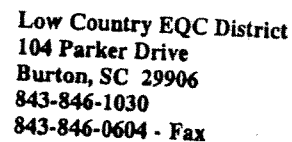
Charges are for the month of December

Meter Readings		Charges	
Present Reading	481,270	Water Amount	\$ 29.94
Previous Reading	473,000		
Consumption	8,270		
Last Payment Received			
Last Payment	\$35.07		
Last Payment Date	12/09/2005	Balance Due	\$ 29.94

The rate schedule is available at the utility office and is available upon request.

EXHIBIT G

Most Recent Approval Letters From the
South Carolina Department of Health and
Environmental Control



Inspection Date: 02/04/2005

Effective Permit Dates:

I-107189-----9/30/08

Name and Grade of

Operator on Site: ~~XXXXXXXXXX~~

Operator of Record: ~~XXXXXXXXXX~~

Phone 843-~~662-2222~~

Cell ~~_____~~

Rating

Permit	Satisfactory
Records and Reports	Satisfactory
Operator's Log	Satisfactory
Self-Monitoring	Satisfactory
Operator of Record	Satisfactory
Flow Measurement	
Bar Screen	Satisfactory
Grinder	
Grit Removal	
Primary Sedimentation	
Trickling Filter	
Aeration	Satisfactory
Secondary Sedimentation	Satisfactory
Digester	Satisfactory
Ponds	
Post Chlorination	Satisfactory
Dechlorination	Not applicable
Sludge Disposal	
Final Filters	
Spray/Tile Field	
Housekeeping	Satisfactory
Other:	

Field Parameters

Effluent Results

pH (SU)	6.95
DO (mg/l)	8.30
Temp. (deg. C)	16.5
TRC (mg/l)	2.2+
Cl2 in C.C.	Not Applicable

Remarks / Comments / Recommendations:

FACILITY APPEARS TO BE OPERATING SATISFACTORILY.

Satisfactory

Overall Rating

02/04/2005

Date: (mm/dd/yy)

Dick Chaney

Operator w/Inspector

BOB LATIMER

DHEC Field Inspector

1330

Entry/Exit Times

PENNY CORNETT

Reviewed By

Inspection was made to determine the operating condition of the facility, and is not to be interpreted that adequate treatment is being provided.



WASTEWATER TREATMENT PLANT FACILITY EVALUATION INSPECTION REPORT

Low Country EQC District
104 Parker Drive
Burton, SC 29906
843-846-1030
843-846-0604 - Fax

NPDES #: ND00[REDACTED]

Outfall: 001

Inspection Date: 02/04/2005

Facility Name: [REDACTED]
Advanced WWTF

Effective Permit Dates:

I- [REDACTED] -----4/30/07

Owner Name, Address and Phone:

[REDACTED] Inc. [REDACTED]

[REDACTED], SC 29[REDACTED]

County: [REDACTED]

Name and Grade of
Operator on Site:

[REDACTED]

Operator of Record

[REDACTED]

[REDACTED]

Phone 843- [REDACTED]

Cell [REDACTED]

Field Observations

Rating

Permit	Satisfactory
Records and Reports	Satisfactory
Operator's Log	Satisfactory
Self-Monitoring	Satisfactory
Operator of Record	Satisfactory
Flow Measurement	
Bar Screen	
Grinder	
Grit Removal	
Primary Sedimentation	
Trickling Filter	
Aeration	Satisfactory
Sequential Batch Reactors (SBRs)	Satisfactory
Digester	Satisfactory
Ponds	Satisfactory
Post Chlorination	Not applicable
Dechlorination	Not Applicable
Sludge Disposal	
Final Filters	Satisfactory
Spray/Tile Field	
Housekeeping	Satisfactory
U. V. Disinfection	Satisfactory

Field Parameters

Effluent Results

pH (SU)	NO DISCHARGE
DO (mg/l)	NO DISCHARGE
Temp. (deg. C)	NO DISCHARGE
TRC (mg/l)	Not Applicable
Cl2 in C.C.	Not Applicable

Remarks / Comments / Recommendations:

NO DISCHARGE AT TIME OF INSPECTION. FACILITY APPEARS TO BE OPERATING SATISFACTORY

Satisfactory
Overall Rating

02/04/2005
Date: (mm/dd/yy)

Dick Chaney
Operator w/Inspector

BOB LATIMER
DHEC Field Inspector

1400
Entry/Exit Times
Penny Cornett
Reviewed By

Inspection was made to determine the operating condition of the facility, and is not to be interpreted that adequate treatment is being provided.

FIRST

DATA

REQUEST

IN RE: Application of ABC, Inc. for Approval)
of New Schedule of Rates and Charges for) **Office of Regulatory Staff's First**
Water and Sewerage Service Provided to its) **Continuing Data Request**
Customers at Bull Street Court)
Beaufort County, South Carolina)

INSTRUCTIONS

As used in these data requests, "identify" means, when asked to identify a person, to provide the full name, title, and current address and telephone number of the person. When asked to identify a document, "identify" means to provide a full and detailed description of the document and the name and address of the person who has custody of the document. In lieu of providing a full and detailed description of a document, you may attach to your responses a copy of the document and identify the person who has custody of it. When the word "document" is used herein, it means any written, printed, typed, graphic, photographic, or electronic matter of any kind or nature and includes, but is not limited to, statements, contracts, agreements, reports, opinions, graphs, books, records, letters, correspondence,

notes, notebooks, minutes, diaries, memoranda, transcripts, photographs, pictures, photomicrographs, prints, negatives, motion pictures, sketches, drawings, publications, and tape recordings. As used in this data request, "address" means mailing address and business address.

Wherever in this data request a masculine pronoun or possessive adjective appears, it refers to both males and females in accordance with traditional English usage.

IT IS HEREIN REQUESTED:

- A. That all information shall be provided to the undersigned in the format as requested.
- B. That all responses to the requests below be labeled using the same numbers as used herein.
- C. That each of the enumerated data requests be reproduced at the beginning of each of the responses.
- D. That if the requested information is found in other places or in other exhibits, reference not be made to those, but instead, that the information be reproduced and placed in the data request in the appropriate sequence.
- E. That any inquiries or communications relating to questions concerning clarifications of the data requested below be directed to the undersigned.
- F. That all exhibits be reduced to 8 ½" x 11" format, where practical.
- G. That the requested information be bound in ring binders (loose leaf notebooks) or otherwise suitably bound.
- H. That in addition to the signature and verification at the close of the Applicant's responses, the Applicant witness(es) or employee(s) responsible for the information contained in each response be indicated.
- I. That the Applicant provide to the Office of Regulatory Staff two copies of the responses to this data request as soon as possible but no later than ten (10) days after service thereof.

- J. If the response to any data request is that the information requested is not currently available, please state when the information requested will be available.
- K. This data request shall be deemed to be continuing so as to require the Company to supplement or amend its responses as any additional information becomes available.

QUESTIONS

- 1.1 List the names and business titles of all people who provided information for preparation of the Application.
- 1.2 List the names and business titles of all people who provided information for preparation of the Application exhibits. Indicate who calculated the numbers for each exhibit and list the appropriate exhibit next to the individual's name.
- 1.3 Describe any construction and/or upgrades proposed for or taking place at ABC.
- 1.4 List any subsidiary, parent and affiliated companies of ABC and state which entities, if any, are regulated by the South Carolina Public Service Commission.
- 1.5 Provide a list of all related party transactions during the test year. Related party transactions include all transactions between ABC and employees, officers, affiliated companies, parent company, subsidiaries and their employees, or officers thereof.
- 1.6 List all businesses that share the same office space as ABC.
- 1.7 List all real estate and land rights owned by ABC. If applicable, state the date of the purchases or acquisitions, the purchase price, and the location of the real estate and the physical areas to which any land rights apply.
- 1.8 Please provide a detailed listing of the number of residential and commercial customers as of January 1, 2004, December 31, 2005 and June 1, 2006. Provide a detailed breakdown by customer classification and service type provided.
- 1.9 Does ABC claim or anticipate claiming any state tax credits? If so, list the amount of the tax credit (or expected tax credit), and state where it is included in the financial information submitted with the Application.
- 1.10 Identify employees and officers employed at December 31, 2004, and 2005, including their position, date of hire, salary, bonuses, hours worked per week, exempt/non-exempt status, and duties.
- 1.11 State ABC's practices and procedures for employee and officer bonuses.

- 1.12 Provide any written guidelines for inspecting systems and/or performing maintenance on ABC systems.
- 1.13 Describe all outstanding documented violations by DHEC, if any. If applicable, provide a copy of all documentation from DHEC that discusses the violations along with all responses from ABC.
- 1.14 Provide details and documentation regarding any DHEC fines. If DHEC fines were levied, for what reasons and in what amounts were the fines issued? Provide a copy of the orders dictating the fines.
- 1.15 If ABC has been impacted monetarily by DHEC fines or violations, state where the impact is illustrated in ABC's financial statements.
- 1.16 Provide the most current DHEC Drinking Water Sanitary Survey for the water system.
- 1.17 Provide a copy of the complete customer complaint log detailing all recorded customer complaints about the drinking water and sewer system for the test year ending December 31, 2005.
- 1.18 Subsequent to the last rate case, has ABC had a change in ownership, a change in stock holdings or any change in its ownership structure? If so, set forth and describe the prior ownership arrangement and the current ownership arrangement.
- 1.19 Provide a copy of ABC's performance bond as required by S.C. Code Ann. §58-5-720 and Public Service Commission Regulations 103-512.3 and 103-512.3.1.
- 1.20 Are there any outstanding loan agreements involving ABC, Inc.? If so, for each loan:
 - a. State whether the loan is approved and finalized?
 - b. State whether ABC in receipt of the funds from the loan agreement?
 - c. Provide the loan amount.
 - d. Provide the interest rate.
 - e. Provide the loan period in months.
 - f. State the lender.
 - g. State the use or planned use of the loan?
 - h. Provide a copy of each loan agreements, its applicable amortization schedule, and any other relevant documentation.
- 1.21 List by year and by sewer and water category, the total number of bills issued to customers during the years 2003, 2004, and 2005.
- 1.22 Provide all work papers, documents, plats, maps, recordings or other items used to prepare the Application and its attached Exhibits, specifically including,

detailed work papers for all proposed accounting and pro forma adjustments for revenue, expenses, and operating margin on Exhibit C.

- 1.23 Provide all federal and state income tax returns signed and filed by ABC for tax years 2003 2004, and 2005. This request includes all supporting schedules and documents, such as 1099s, and the like, whether filed or not.
- 1.24 Provide a copy of all contracts ABC has with water providers and wastewater disposal treatment providers.
- 1.25 What fiscal year does ABC, Inc. operate under?
- 1.26 State the circumstances surrounding the BJWSA incorrect meter reading during the test year 2005, and provide bills or work papers supporting the anticipated additional cost of \$32,007 as stated in ABC's Application.
- 1.27 Provide support and calculations for the following statement from the Application with respect to ABC's last rate case: "The Commission granted a negative operating margin of negative (55%)...."
- 1.28 Exhibit A's description of sewer "Monthly Charges" contains the statement, "All customers will be billed for sewer service at the base facilities charge or 100% of the water bill, whichever is greater." However, Exhibit E (specifically, page 3 of 7) shows that sewer customers are charged both the base facilities charge and the commodity charge. Please provide clarification to how sewer customers are charged.
- 1.29 State or describe the charge (the charge per consumption) to sewer customers who receive water service from BJWSA.
- 1.30 Explain the reasoning for the following requested water and sewer reconnection charge asset forth in Exhibit A: "Customers who ask to be reconnected within nine months of disconnection will be charged the monthly base facility charge for the service period they were disconnected."
- 1.31 Submit a depreciation schedule for all depreciable assets showing the assets' purchase date, purchase cost, beginning accumulated depreciation, current accumulated depreciation, ending accumulated depreciation, useful life, salvage value, and the depreciation method used and any asset information backing up such schedules.
- 1.32 Describe the cause of ABC's long-term debt of \$9,167 and plans for repayment.
- 1.33 Provide working papers for the water and sewer taps contributed capital.
- 1.34 Provide information on the following:

- a. How many taps have been connected to the systems owned by ABC from inception of the system to the present?
 - b. How much revenue from tap fees has been collected from customers from the inception of the system to the present?
 - c. What is the maximum number of taps that may be installed on the present system?
 - d. How many taps were installed during 2003, 2004, and 2005? Please list installations by year.
 - e. How many tap connections are anticipated per year for the next five years?
 - f. What were the costs expended related to taps each year during 2003, 2004, and 2005? Please list the costs by year.
 - g. What were the total costs capitalized for taps for each year 2003, 2004, and 2005? Please list the capitalized costs by year.
- 1.35 Provide an allocation of the revenues and expenses listed in Exhibit C to water and sewer operations. Provide the basis for the allocation between water and sewer operations.
- 1.36 Describe the "irrigation" fees listed in Exhibit C.
- 1.37 Explain why "availability fees" are collected and how the fees are used by ABC. State who collects the fees and the terms under which availability fees are paid to ABC.
- 1.38 Describe all adjustments in the accounts for availability fees during 2003, 2004 and 2005.
- 1.39 State the reason(s) for the billing adjustments during 2005.
- 1.40 Describe the purpose of grinder stations and their location, i.e. customer service line or utility service line. Please state whether a grinder station is necessary to provide service.
- 1.41 Itemize the components of "rate case expenses," including legal expenses and postage through the current date.
- 1.42 Provide the cost of sewer electric power per month during 2005. Provide the amount of accrued interest on customer deposits as of January 1, 2004, and December 31, 2005.
- 1.43 Provide the amount listed in Uncollectible Accounts as of December 31, 2003, 2004 and 2005, and provide the calculation for the proposed Uncollectibles associated with the rate increase.
- 1.44 Provide a comparative balance sheet for years 2003, 2004 and 2005 mid an income statement for year 2003.

- 1.45 Provide the amount of water pumped, purchased, and sold by ABC for the twelve months ended December 31, 2003, 2004 and 2005.
- 1.46 Provide the number of gallons of water treated for the twelve months ended December 31, 2003, 2004 and 2005.
- 1.47 Provide a schedule detailing all deferred expenses and revenue included in the test year for water and sewer operations. Detail should include reason for deferral, total amount of expense or revenue from which the deferral arose, amount being deferred, initiation date of deferral, ending date of deferral.
- 1.48 What land & land rights does ABC own, and where is it located? Indicate the years each were purchased and the purchased price. Does this include the business office in Beaufort County, South Carolina? What are the values of these assets?

December 15, 2006

Florence P. Belser, Esquire
Shannon Bowyer Hudson, Esquire
Office of Regulatory Staff
P.O. Box 11263
Columbia, South Carolina 29211

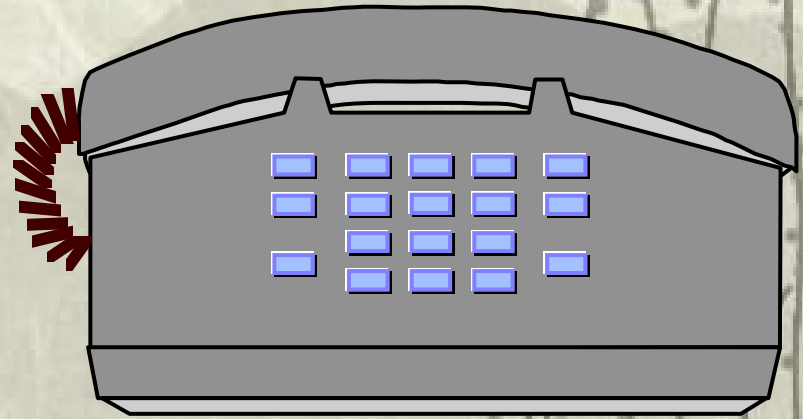
CALL US!!

(803) 737-0800

(803) 737-0801 Fax

wmorgan@regstaff.sc.gov

<http://www.regulatorystaff.sc.gov>



DHEC Contact Information

(803) 898-4300

<http://www.scdhec.net/eqc/water/index.html>